



# *The* **Research** *Review*

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**House Activity  
March 7-10,  
2005**



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Commerce

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State and Local Government

**Pam Mason**  
Education

**Judy Narramore**  
Health and Human Resources

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Consumer and Employee Affairs

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Conservation and Environment  
Transportation

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Finance, Ways and Means

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# Agriculture

Matt Barnes

## Tuesday, March 8<sup>th</sup>

On Tuesday, March 8<sup>th</sup>, the Agriculture Committee took up four bills and two resolutions on its calendar.

**House Bill 1931** (Davidson) creates a definition of “agriculture” for use throughout the Code unless otherwise specified. The bill was moved to Calendar and Rules. As amended, **HB 0778** (Clem) increases the maximum annual certificate fee for larger nurseries from its present \$200 to \$250. The bill affects nurseries that are more than one acre in size and have more than \$30,000 in annual gross sales. Nurseries less than that in size and gross sales will have certificate fees reduced from \$200 to \$100. The modification of fees, according to a department spokesperson present at the meeting, will go into effect with the next renewals. Because of its original fiscal note, the bill was sent to Finance.

The rest of the bills were rolled:

- With **HB 0148** (M. Turner), those persons who breed for sale more than one litter of pups annually must pay dealer license fees. The bill also places space restrictions per adult dog on such breeders. According to the sponsor, the bill is a measure to end puppy mills (operated by those who are not legitimate dog breeders).  
*rolled 3 weeks*

- HB 0072** (Casada) permits locals to adopt ordinances authorizing local governments to petition general sessions courts to provide for the disposition of dangerous dogs. *rolled 1 week*

- HJR 0114** (Bone) was taken off notice. The resolution would have directed The University of Tennessee to study its College of Veterinary Medicine as to its admission policies, curriculum, etc. Rep. Bone’s **HJR 0115**, however, calls for the same thing, except it creates a special joint committee to study these matters. It will be taken up on a later committee calendar.  
*HJR 0115 rolled 2 weeks*

During the final part of the meeting, the committee heard from representatives from the Agriculture Department and the Wildlife Resources Agency on concerns ranging from the death of an elephant brought into the state from an Illinois sanctuary, to the growing numbers of predatory buzzards threatening cattle herds. Agriculture Commissioner Givens was also present to address questions. *(Summary by Denise Sims)*

# Children and Family Affairs

Shannon Romain

The **Children and Family Affairs full committee** referred **HB 1567** (Rep. Fowlkes) to Calendar and Rules. As amended, the bill will allow any former member of a county court or county commission to perform marriage ceremonies.

Four members on the committee objected to the referral.

**HB 0780** (Rep. Clem) was deferred two weeks. The bill permits a court to grant pain and suffering, alienation of affection and/or punitive damages in certain divorce cases. **HB 0784** (Rep. DuBois) authorizing the Administrative Office of the Courts to develop, distribute and implement a uniform parenting plan form, was deferred one week.

*(continued)*

## Children & Family, continued

The **Domestic Relations Subcommittee** referred three bills to the full committee. **HB 0760** (Rep. Clem) requires that the child support guidelines not attribute any income, other than what is actually earned, to a stay-at-home parent nor may a court determine that a stay-at-home parent is willfully or voluntarily unemployed or underemployed for the purposes of determining child support if they are caring for a child that is six years of age or younger or not yet in the first grade.

**HB 0775** (Rep. Clem), prohibiting adoptions by homosexuals, was referred to the full committee with a recommendation for an amendment that permits any single person the right to adopt a child regardless of sexual preference. The amendment specifies, however, that a single person shall not be given priority to adopt a child over a married couple who is otherwise eligible to adopt.

**HB 0704** (Rep. Bowers) was also referred with a recommendation for an amendment. The original bill requires the Department of Children's Services and

the Tennessee Commission on Aging and Disability to develop and implement a full range of educational, counseling, referral, and other services designed to encourage and support elderly and/or disabled foster parents who participate in kinship foster



*Rep. Bowers*

care programs. The amendment would change the name of the programs from "kinship foster care" to "relative caregiver" programs.

**HB 0442** (Rep. Fowlkes) was deferred one week and **HB 0751** (Rep. Clem.) prohibiting the state from recognizing civil unions or domestic partnerships was taken off notice.

The **Family Justice Subcommittee** was cancelled. All bills on the calendar were deferred one week.

## Commerce

Matt Barnes

### Full Committee

Chairman Hargrove opened Tuesday's meeting of the **Commerce Committee** by recognizing the National Association of Insurance and Financial Advisors, a 1,200-member association led by Executive Director Ray Thomas. The committee had five bills on calendar.

**HB 0462** (Odom), with an amendment that re-writes the bill, creates options for cemetery owners to

choose from in determining "net earnings" for distributions from their improvement care trust funds. To withdraw up to 5% of the trust, the current market value after the withdrawal shall be greater than 80% of the market value at the time the method of calculation were chosen. Mandy Young, representing the Tennessee Cemetery Association, on whose behalf the bill was brought, said the Department of Commerce and Insurance already regulates the size of the trust funds based on several factors. She said this bill does not get into that; it simply clarifies current (*cont.*)

## Commerce, continued

language in the code regarding “realized gains,” which the sponsor claimed as vague. [*passed to Calendar and Rules as amended*]

**HB 1273** (Fowlkes), with a subcommittee amendment that re-writes it, establishes the time to commence an action to force a bank to pay on all types of deposit accounts, not just certificate of deposit accounts as in present law. [*rolled for one week*]

**HB 1278** (Fitzhugh) extends from 20 to 30 years the fixed term, along with extensions, for the duration of open-end mortgage credit agreements. [*passed to Calendar and Rules*]

**HB 0006** (Ferguson), with an amendment that re-writes the bill, enacts the “Tennessee Home Inspector License Act of 2005.” Applicants will be required to complete 90 hours of commissioner-approved training and a commissioner-approved competency examination. Further, applicants must obtain insurance for general liability and for errors and omissions. The amendment adopted last week in the Small Business Subcommittee would have allowed applicants, in lieu of insurance for errors and omissions, to post a bond in accordance with rules and regulations the commissioner is authorized to promulgate. However, the committee amendment removes the bond provision. Applicants principally-engaged in home inspections for at least 2 years that have completed at least 150 home inspections will not have to complete the 90 hours of training. [*passed to Finance, Ways and Means as amended*]

**HB 0078** (Hargrove) exempts from insurance producer licensing requirements those persons who, in connection with a motor rental agreement that does not exceed 90 days, sell optional insurance. The commissioner of the Department of Commerce and Insurance is authorized to sanction those rental companies that commit unfair trade practices or fraud. The sponsor said Tennessee is one of only six states that currently require licensing for such persons. [*passed to Finance, Ways and Means*]

## Industrial Impact Subcommittee

The **Industrial Impact Subcommittee** met Tuesday with six bills on calendar. **HB 0955** (Hargett) was assigned to the Small Business Subcommittee, while **HB 1947** (Todd) was rolled for four weeks and **HB 2100** (Borchert) for two.

**HB 0413** (Hargrove) revises present law relative to increasing premiums for commercial risk policies. Currently, an insurance company intending to *revise the rates and/or factors* of a commercial risk policy by more than 25% must notify the insured within 60 days of the effective date of the increase. This bill changes that requirement to state an insurance company intending to *increase the premiums* of a commercial risk policy by more than 25% must provide notice *if the increase is the result of comparing policies of equivalent exposures*. [*passed to full committee*]

**HB 2099** (Borchert) requires a surveyor, when surveying an adjoining property, to notify the owner of the adjoining property. Chairman McKee pointed out that this bill is similar to one he is sponsoring (HB 1636) and that the parties are now negotiating to combine the two into one. [*rolled for one week*]

**HB 0798** (Dunn) requires owners of one- or two-family rental buildings to notify tenants and potential tenants in writing if a building is not equipped with an approved fire wall. A violation of this requirement is a Class A misdemeanor, each day in violation constituting a separate offense. When questions arose about fire walls in one-family units, the penalty provision, and whether this bill would apply to hotel/motel units, the sponsor asked that the bill be rolled. [*rolled for two weeks*]

## Small Business Subcommittee

The **Small Business Subcommittee** did not meet this week. Its only bill on calendar, **HB 1346** (Shepard), was rolled three weeks. (*Commerce continues*)

### Utilities and Banking Subcommittee

The **Utilities and Banking Subcommittee** met Wednesday, rolling **HB 0681** (Litz) for one week and sending **HB 0731** (Harrison) to full committee. This bill creates exceptions to the requirement that rate increases for residential basic local exchange service not exceed inflation. One such exception is created through

rate regrouping based on population growth or expanded local calling, whereby the number of end-users within a rate group increases to the point that the rate group no longer corresponds to the defined rate group within the carrier's approved tariffs.

## **Conservation and Environment**

Rachel Thomas

### Full Committee

The full **Conservation and Environment Committee** convened March 9, 2005, to discuss three bills on the calendar. Action on Representative R. Johnson's **HB 855** was deferred for one week. **HB 719** (West) was passed on to the Finance, Ways, and Means Committee. This bill names the Gee Creek campground bath house in honor of Rob Skinner. Representative McDonald's **HB 1272** was passed to the Calendar and Rules Committee. As amended, this bill allows limited hunting from a vehicle only if the vehicle is stationary.

The committee then heard an overview of state parks by Deputy Commissioner Jim Fyke of the Tennessee Department of Environment and Conservation.



*Deputy Commissioner Jim Fyke*

Commissioner Fyke expressed the Governor's commitment to closing no state parks while he is in office. The Commissioner then went on to explain the re

gional management restructuring that has occurred in the parks division and its positive impact.

### Environment Subcommittee

The **Environment Subcommittee** met March 9, 2005, to discuss three joint resolutions and one bill. Representative B. Cooper's **HJR 87**, **HJR 92**, and **HJR 94**, were taken off notice. As amended, Representative Tidwell's **HB 925** alters the composition of the water quality control board to hear appeals. This bill was referred to the full committee.

### Parks and Tourism Subcommittee

The **Parks and Tourism Subcommittee** assembled on March 8, 2005, to discuss four bills. Both **HB 1271** (McDonald) and **HB 1396** (McCord) were taken off notice. Representative McDonald's **HB 1269** and **HB 1270** were voted to full committee. **HB 1269** creates a Class A misdemeanor offense for interfering with the safe operation of a motorboat or vessel in a reckless or negligent manner. **HB 1270** includes commercial vessels on the list of vessels for which boating under the influence is prohibited.

*(continued)*

## Wildlife Subcommittee

The **Wildlife Subcommittee** convened on March 8, 2005. There were two bills on notice that the committee considered. Both **HB 815** (Winningham) and **HB 1873** (McCord) were voted to the full Conservation and Environment Committee. Representative Winningham's bill authorizes disabled persons to go hunting one day per year without having to obtain a hunting license. Representative McCord's bill redefines zoological institutions.



## **Consumer and Employee Affairs**

Shannon Romain

The **full committee** meeting was cancelled and **HB 0039** (Rep. Bowers) was deferred one week, however, the subcommittees met as scheduled. On Wednesday, the **Employee Affairs Subcommittee** referred the following bills to the full committee:

**HJR 0093** (Rep. Cooper) - Encourages the state and local governments to pay a living wage to workers paid through government contracts.

**HB 1257** (Rep. M. Turner) - Establishes a conclusive presumption that workers affected by diseases covered under the federal Energy Employee Occupational Injury Compensation Program Act have the disease for the purposes of the employee or their families filing a claim for state workers compensation benefits.

The committee recommended an amendment to the bill that:

1. Prohibits an employee, their dependents or beneficiaries, or the employer from making a claim against the Second Injury Fund, thereby removing the fiscal note which is projected to impact state and local gov-

ernments in excess of \$100,000.

2. Specifies that the provisions of the bill do not apply to workers' compensations claims filed by state employees.

3. Prohibits any award or entitlement to medical benefits for past, present or future medical diagnosis under state workers compensation laws as such benefits are provided for by the Energy Employee Occupational Injury Compensation Program Act. The state prohibition on benefits is not intended to affect entitlement to federal benefits.

4. Specifies that all claims made payable under this law shall not be included in the experience modifications factors, or elsewhere, for changes in the loss history of employers that are attributable to awards paid out to an employee, or their dependents, for benefits under this law, to the extent that an affected employer is reimbursed or indemnified for such benefits by the federal government.

The following bills were deferred:

**HB 1527** (Rep. Montgomery) - deferred two weeks.

**HB 1323** (Rep. Stanley) - deferred one week. (cont.)

**HB 0130** (Rep. M. Turner) - deferred four weeks.

The **Consumer Affairs Subcommittee** referred the following four bills to the full committee.

**HB 0449** (Rep. Briley) exempts nonprofit health clubs from health club registration requirements if they are operated as part of a licensed hospital that is exempt from property taxation.

**HB 0477** (Rep. Odom) adds a chiropractor selected by the Tennessee Chiropractic Association to the medical care and cost containment committee.

**HB 0555** (Rep. Bunch) provides that representing that a person has conducted a foreclosure when that

person has actually not constitutes an unfair or deceptive act or practice under the Tennessee Consumer Act of 1977. A violation of the act is a Class B misdemeanor.

**HB 0762** (Rep. Odom) Removes the June 30, 2005 sunset provision requiring that an employer provide a choice of three doctors as well as a chiropractor on workers' compensation panels in cases involving a back injury. It also authorizes an employee more than the maximum 12 visits for treatment for an injury upon approval of the employer.

**HB 0705** (Rep. Cooper) requiring that auto dealers issue an express warranty for pre-owned vehicles was deferred for three weeks.

## **Education**

Pam Mason

### **Full Committee**

The Education Committee met on Wednesday, March 9, for consideration of its calendar. Action on the bills follows.

Referred to Finance, Ways & Means:

**HB 1104** – (McMillan) sets guidelines for licensure of JROTC instructors. Current instructors in Tennessee meet the criteria outlined in the legislation. This bill brings the instructors in compliance with No Child Left Behind.

**HB 1107** – (McMillan) requires the department of education to give all schools and LEAs information on meningococcal disease. Public, public charter and private schools will then be required to provide par-

ents with the information.

**HB 1087** – (McMillan) requires that tuition and varied fees be waived for youth who meet all entrance and eligibility requirements and were in state custody for at least one (1) year after age 14. The child must have remained in state custody, have been adopted, or placed in a permanent guardianship to be eligible.

**HB 52** – (Matheny) allows children of retired public school teachers 25 percent tuition discount in state-operated institutions of higher education.

Referred to Calendar & Rules:

**HJR 9** – (Newton) designates April 4-10, 2005 as "Community College Week." *(continued)*

## **Education, continued**

Deferred 1 week:

**HB 1662** – (Maddox)

**HB 669** – (Maddox)

**HB 674** – (Maddox)

**HJR 88** – (Cooper)

**HB 436** – (Cooper)

**HB 897** – (Cooper)

Taken off Notice:

**HB 1105** – (Dunn)

### **Higher Education Subcommittee**

The Higher Education Subcommittee met on March 9. The subcommittee considered its calendar followed by a presentation by Dr. Brian Noland on an Overview of the Lottery.

Referred to Full Committee:

**HB 1528** – (Armstrong) is a housekeeping bill from the Treasurer's Office to clearly define the terms "corpus of the trust" and "income of the trust".

**HB 117** – (Shaw) allows children of parents employed as support personnel at least 25 hours per week to receive 25 percent tuition discount in state-operated institutions of higher education.

Deferred 1 week:

**HB 129** – (Turner, M)

**HB 2164** – (Shepard)

Deferred 2 weeks:

**HB 1295** – (Newton)

**The K-12 Subcommittee met on March 8 and considered its actions.**

Referred to Full Committee:

**HJR 90** – (Cooper) urges the department of education to promote teaching of the labor movement.

**HB 1938** – (Brooks, Harry) allows LEAs to establish evening alternative schools for middle and high school.

**HJR 116** – (Cooper) urges increased funding for alternative schools.

**HJR 117** – (Cooper) urges increased funding for drop-out prevention programs.

**HB 538** – (Winningham) increases state portion of insurance premiums for active and retired teachers.

**HB 1533** – (Winningham) provides health insurance for non-certified LEA employees.

**HB 1536** – (Winningham) increases state portion of insurance premiums for active and retired teachers.

**These three bills will be held in Full Committee until Pensions and Insurance consideration.**

Deferred 1 week:

**HB 445**

**HB 550**

**HB 990**

Deferred 2 weeks:

**HB 193**

**HB 900**

**HB 901**

**HB 520**

Deferred 3 weeks:

**HB 347**

Taken Off Notice:

**HB 799**



# Finance, Ways and Means

Julie Travis

## The Full Committee

The House Finance, Ways, and Means Committee met on Tuesday, March 8, 2005 to discuss and take action on the bills placed before the committee. Five bills were on the consent calendar and one was on the regular committee calendar. Three of those bills were referred to Calendar and Rules.

**HB 629 (Hawk)** and **HB 587 (Litz)** were referred to the Budget Subcommittee as these bills had not been through the subcommittee yet. **HB 800 (Baird)** was re-referred to the Budget Subcommittee after being amended with H FWM Amdt. No. 2. These three bills were later placed on an Addendum for the Budget Subcommittee to be heard on Wednesday's calendar.

**HB 27 (Shepard)**, **HB 389 (Shepard)**, and **HB 637 (Cochran)** were all highway signs that had been previously recommended for passage by the Budget Subcommittee; the Full Committee referred them on to Calendar and Rules.

A brief description of the bills that passed to Calendar and Rules is as follows:

**HB 27 (Shepard)** designates a certain bridge on SR 250 between Dickson and Cheatham County lines as the "Herbert L. 'Hub' Harris Memorial Bridge." Designating signs shall be erected only if non-state funds are used to manufacture and erect such signs.

**HB 389 (Shepard)** designates a certain segment of SR 100 in Hickman County as the "Officer Christy Jo Dedman Memorial Highway". Officer Dedman died in the line of duty while serving on the Metro Nashville Police Dept on July 19, 2004. Funding for the cost of signage and marking of the highway is in accordance with TCA §54-1-133.

**HB 637 (Cochran)** designates a certain bridge on SR 91 in Carter County as the "Roy 'R.H.' Taylor Memo-

rial Bridge." Such designating signs shall be erected only if Carter County manufactures and erects such signs and remits the estimated costs to TDOT.

The committee continued on Tuesday with Budget Hearings from the Departments of Environment and Conservation and Military. On Wednesday, the Committee heard from the Department of Agriculture and Tennessee Wildlife Resources Agency.

## The Budget Subcommittee

The Budget Subcommittee met on March 9, 2005 to discuss nine bills on the Subcommittee's Regular Calendar and three bills on its Addendum.

Actions of the Budget Subcommittee are as follows:

**HB 776 (Clem)** was placed off notice by the request of the bill's sponsor.

Action was deferred for one week on **HB 398 (Shepard)** at the request of the sponsor.

**HB 800 (Baird)** was amended by the subcommittee, combining all previous amendments into one and also has a subsection which carves out and retains for the State those sales tax revenues currently collected by the State from businesses in that area. HB 800 was amended and rolled one week.

**HB 1091 (McMillan)** was amended and deferred for one week. The new amendment, by deleting section 10 of the bill, would keep the minimum payment at \$10 for every election official attending the mandatory day of election training.

**HB 411 (Coleman)** and **HB 1340 (Litz)** were both placed behind the budget. *(continued)*

## **Finance, continued**

The following bills were referred to full committee:

**HB 1582 (McMillan)** – This bill eliminates the disclosure and notice requirement concerning public inspection of Registry of Election Finance Records. Current law states that the registry of election finance or county election commission, as appropriate, must notify a political candidate or political campaign committee when someone has inspected the candidate/committee's campaign financial disclosure records. Notice must be provided within three (3) days of the inspection. This bill repeals those notice requirements.

**HB 20 (Newton)** – This bill, as amended in the House State and Local Government Committee, only expands the range of offenses for which beer permit applicants can be disqualified, to also include the manufacture, sale, delivery, or possession with intent to sell a controlled substance within the last ten (10) years.

**HJR 86 (Cooper, B.)** – This bill, as amended in the House Commerce Committee for grammatical errors, urges the Bureau of TennCare to adopt a cost-of-

living index into its budget for the purpose of adequately reimbursing providers for kidney dialysis treatments for enrollees in the TennCare program.

**HB 530 (Hackworth)** – This bill creates an excise tax deduction equal to 75% of the value of charitable donations given to various 501(c) type, nonprofit entities when such entities use the donations to purchase goods and services on which state and local sales taxes are collected. It identically expands the deduction created last legislative session (2004 PC 835) for qualified public school support organizations.

**HB 629 (Hawk)** – This highway sign bill designates a certain segment of the State Route 70 By-Pass in Greene County as the Joseph 'Joe' Bewley Memorial Highway and directs the Department of Transportation to manufacture and erect suitable signs.

**HB 587 (Litz)** – This highway sign bill designates a certain bridge on State Route 160 in Hamblen County as the "R.F. Garrett Bridge." Designating signs shall be erected only if non-state funds are paid to the Department of Transportation to manufacture and erect such signs.



**Budget Hearings Following Today's  
Session:  
TennCare  
DHS**

## Government Operations

Kristina Ryan

The Government Operations Committee met on Wednesday, March 9<sup>th</sup> to consider eight bills on the calendar. **HB 1281** by Representative Miller was rolled for one week, **HB 1449** by Representative Kernell was deferred for two weeks and **HB 1523** by Representative Kernell was taken off notice. The remaining bills on the calendar included one bill for review and four sunset bills.



The committee reviewed and referred **HB 1784** by Representative Curtiss to the Commerce Committee. Under this legislation, the Commissioner of Financial Institutions is required to establish and enforce a regulatory framework for the title pledge industry. The Commissioner of Financial Institutions would be re-

sponsible for promulgating rules and regulations in order to implement this legislation. The bill would also require the Commissioner of Financial Institutions to establish licensure requirements as well as administering examinations for title pledge lenders. An amendment placed on the bill would give the Commissioner the authorization to impose civil penalties for no more than \$1,000 per violation per day. In addition, the amendment would clarify the term “commercially reasonable” as defined in the Tennessee code and include its code citation.

### Sunset Bills sent to Calendar & Rules:

- Tennessee Wars Commission – re-authorized until June 30, 2011.
- Tennessee Sports Hall of Fame – re-authorized until June 30, 2009.
- Tennessee Claims Commission – re-authorized until June 30, 2009.
- Southeast Interstate Low-Level Radioactive Waste Compact – re-authorized until June 30, 2011.

## Health and Human Resources

Judy Narramore

### Full Committee

The **Health & Human Resources Committee** met on Tuesday, March 8, 2005, to consider eight pieces of legislation. Rep. Bowers offered two amendments to **HB 0038**; both were adopted. As amended, HB 0038 requires F&A to report annually to the General Assembly those employers who were reported in the previous calendar year with 25 or more employees enrolled in

TennCare or other state-funded health care program. The report will include the total cost to the state of providing health care for the employees of each employer named in the report. After the amendments were adopted, Rep. Bowers rolled HB 0038 two weeks for further review and consideration. **HB 0186** by Rep. Coleman as amended, which expands existing law to

*(continued)*

## Health, continued

give TBI crime laboratory personnel exposed to blood or body fluid of an arrested person the right to request a blood test of such person if there is significant risk of exposure to Hepatitis B or HIV, was referred to C&R. The amendment adds TBI crime laboratory personnel to existing statute concerning such testing, i.e., cost of the testing, liability, and confidentiality of the test results.

Rep. Harrison rolled **HB 0641** that permits federally qualified health centers to employ physicians through a written contract or job description one week. **HB 0667** by Rep. Maddox, which exempts psychiatrists, psychologists, senior psychological examiners, and psychological examiners who treat patients at community mental health centers from the patient notification requirement when such providers leave the centers, was referred to C&R. **HB 0999** by Rep. Sontany that authorizes RNs employed in assisted care living facilities to pronounce death of a resident of such facility was referred to C&R.

**HB 1232** by Rep. Odom as amended was referred to C&R. As amended, HB 1232 authorizes hospice services to be provided in designated areas of hospitals by a certified hospice provider without altering the number of licensed hospital beds or resulting in the establishment of a residential hospice.

Admission to the hospital is not required in order to receive such hospice services. Rep. Cooper requested to roll **HJR 0091** which urges the Department of Health and Bureau of TennCare to conduct a joint study identifying any disparities in health care that exist in Tennessee. **HB 0368** by Rep. Bowers as amended, which enacts the “Tennessee Chronic Kidney Disease Screening Act of 2005,” was referred to C&R. As amended, HB 0368 urges health care providers to counsel and test for chronic kidney disease in patients at high-risk for such disease.



*Rep. Odom*

After completing the calendar, the committee stood in recess to hear a presentation by the Kidney Foundation of Tennessee. Representatives of the Foundation discussed chronic kidney disease and its impact on society.

## Health Care Facilities Subcommittee

The **Health Care Facilities Subcommittee** met at its new 3:30 PM meeting time Tuesday, March 8<sup>th</sup> with three bills on calendar. **HB 1436** by Rep. Armstrong as amended was referred to full committee. As amended by Amendment 1, HB 1436 extends from 105 to 150 the number of days for all hospitals licensed by the Department of Health or Department of Mental Health & Developmental Disabilities to submit their joint annual report. Amendment 2 to HB 1436 extends the deadline for the Department of Health to make available to the public an electronic compilation of the statistics reported by the hospitals from November 1 to November 30. At the request of Rep. West, **HB 1429** (prohibits LTCF from requiring Medicaid recipients to waive rights) was rolled two weeks. Rep. Borchert requested to roll **HB 1945** (physician orders via fax transmission) one week.

## Mental Health Subcommittee

The **Mental Health Subcommittee** did not meet Tuesday afternoon when the only bill on calendar, **HB 0665** (payment to service providers by the Division of MR) by Rep. Maddox, was rolled one week.

## Public Health & Family Assistance Subcommittee

The **Public Health & Family Assistance Subcommittee** met Wednesday morning, March 9, 2005, to consider five bills. Rep. Shepard requested to roll **HB 0003** (price gouging of vaccines) one week. **HB 0062** by Rep. Davidson that considers informed consent documentation, including written and oral presentations with a third party witness present, for any research involving human subjects was referred to full committee 6-1-2 on a roll call vote. Rep. Briley presented **HB 0216** that concerns drop-in child care

*(continued)*

## **Health, continued**

centers. At the request of Speaker Pro Tempore DeBerry, Rep. Briley rolled HB 0216 one week in order for there to be adequate subcommittee time to consider the bill as well as hear testimony. **HB 0836** by Rep. Armstrong as amended that requires the Board for Licensing Health Care Facilities to establish and maintain a trauma registry was referred to full committee. The amendment clarifies the purpose for and confidentiality of the registry data. Rep. Casada requested that **HB 1383** ("Pharmacist's Freedom of Conscience Act") be rolled one week.

## **Professional Occupations Subcommittee**

The **Professional Occupations Subcommittee** met at noon on March 9<sup>th</sup> with two bills on notice. **HB 1748** by Rep. Shaw that allows evidence of 20 or more years practice and licensure in good-standing in another state in lieu of the three year residency training requirement for licensure of international medical school graduates was referred to full committee. Rep. Shaw requested to roll **HB 2070** (massage therapists competency exam) one week for consideration of amendatory language.



*Health Committee Members in Discussion*

## **Judiciary**

Jamie Wyatt

### **The Full Judiciary Committee**

On Tuesday, the Full Judiciary Committee met to discuss six bills. HB 14 by Rep. Newton, as amended, was approved for passage and **referred to Finance**. HB 14 adds a new subdivision to T.C.A., §39-13-210 (a) by including reckless killing of another while evading an arrest as a Class A felony of second degree murder. The amendment on the bill limits application to circumstances of evading while operating a motor vehicle.

HB 849 by Rep. Johnson, R. was rolled to the last calendar. HB 1575 by Rep. West was rolled for 1 week.

The following bills and resolution were approved for passage and **referred to Calendar & Rules**:

**HB 238** by Rep. Campfield prohibits the act of aiming a laser device at law enforcement,

*(continued)*

## **Judiciary, continued**

firefighters, EMTs, or other emergency service personnel while performing duties with intent to cause fear of bodily injury or death.

**HB 554** by Rep. Bunch creates a presumption that damages paid to or on behalf of an insured by an automobile insurance company in a subrogation action will be presumptive evidence as to the damages incurred against an alleged tortfeasor provided that an affidavit is accompanied by a notary seal or a certificate of a judge of general sessions with the certificate of the county clerk.

**HR 12** by Rep. Fowlkes approves amendments and revisions to the rules of civil procedure promulgated by the Supreme Court of TN. Rule 1A, which deals with sealing court records, was withdrawn by an order of the Supreme Court of TN.

## **Civil Practice & Procedure Subcommittee**

On Tuesday, the Civil Practice and Procedure Subcommittee met to consider 19 bills. HB 986 by Rep. Turner was rolled to the first calendar of Feb. 2006. **HB 701** by Rep. Bowers was **referred to Full Committee**. HB 701, as amended, changes T.C.A. §29-20-102 and Chapter 321 of the Public Acts of 2003 by deleting June 30, 2006 as the repeal date of the law in order to continue the definition of a governmental entity in Governmental Tort Liability Act to include a private, non-profit hospital corporation in Shelby County.

### **House Bills taken off notice:**

HB 1014 by Rep. Bowers  
HB 1561 by Rep. Newton  
HB 2006 by Rep. Overbey

### **House Bills rolled 1 week:**

HB 252 by Rep. Stanley was rolled and its amendment was adopted.  
HB 1428 by Rep. West  
HB 1964 by Rep. Rinks

### **House Bills rolled 2 weeks:**

HB 329 by Rep. Newton  
HB 399 by Rep. Shepard  
HB 437 by Rep. Cooper  
HB 1703 by Rep. Shepard

### **House Bills rolled 3 weeks:**

HB 683 by Rep. Overbey  
HB 779 by Rep. Clem  
HB 1274 by Rep. Stanley

### **House Bills rolled 4 weeks:**

HB 622 by Rep. McCord  
HB 860 by Rep. Sharp

### **House Bills rolled 5 weeks:**

HB 337 by Rep. Newton  
HB 1236 by Rep. Newton

## **Criminal Practice & Procedure Subcommittee**

On Tuesday, the Criminal Practice & Procedure Subcommittee met to consider sixteen bills. A number of these bills were proposed methamphetamine legislation. Will Pinkston, Special Projects Director for the Governor, presented the "Meth Is Death" video provided by the District Attorney Generals Conference portraying real life accounts of methamphetamine users and its effects on the user, family, and the community as a whole. *(continued)*

## **Criminal Sub, continued**

The following bills were approved for passage and **referred to Full Committee:**

**HB 2334** by Rep. McMillan, as amended, enacts the Meth-Free Tennessee Act of 2005. Here are some of the highlights of this bill: Requires products containing ephedrine, pseudoephedrine, or phenylpropanolamine to be dispensed only by a licensed pharmacy, creation of a TBI public registry of convicted meth violators, requires law enforcement agencies to provide information regarding quarantined property to Dept. of Environment and Conversation, the DEC must maintain a registry of quarantined properties on its website, and a notification requirement owed by medical professionals to law enforcement if they treat someone with injuries relating to meth manufacturing.

**HB 36** by Rep. Harwell allows a law enforcement officer with reasonable grounds to believe a person is driving under the influence of drugs or alcohol to administer both alcohol and drug testing. This test must be done within 2 hours following arrest or initial detention and includes a \$100 fee for testing.

**HB 15** by Rep. Newton increases the penalty for the offense of rape of a child from a Class A felony to Class A felony punishable by life without the possibility of parole.

**HB 363** by Rep. Newton decreases the percentage of alcohol in a first time DUI offender's blood necessary to make such offender a most aggravated drunk driver from .20 percent to .16 percent thereby requiring 7 days as the minimum period of confinement.

### House Bills rolled 1 week:

HB 57 by Rep. Shaw  
HB 857 by Rep. Newton  
HB 2086 by Rep. Newton  
HB 497 by Rep. DuBois

HB 1701 by Rep. Shepard was rolled and an amendment was adopted.

### House Bills rolled 2 weeks:

HB 1563 by Rep. Buck  
HB 231 by Rep. Campfield  
HB 595 by Rep. Curtiss  
HB 797 by Rep. Matheny  
HB 811 by Rep. Cochran  
HB 848 by Rep. Johnson, R.  
HB 1003 by Rep. Fowlkes



*A number of law enforcement officers attended Tuesday's Criminal Practice Subcommittee meeting where several of the bills dealt with methamphetamine ("meth") legislation.*

## **Constitutional Protections Subcommittee**

On Wednesday, the Constitutional Protections Subcommittee met to consider eighteen bills. HB 866 by Rep. Sharp was rolled for three weeks.

The following bills were approved for passage and **referred to Full Committee:**

**HB 16** by Rep. Newton proposes the repeal of the \$15 portion of the handgun permit fee allocated by TBI if  
(continued)

## **Judiciary, continued**

the Comptroller finds that the TBI has used the proceeds of this fee for any purpose other than purposes set out in the code or that the fee is no longer needed for such purpose.

**HB 1348** by Rep. Briley adds Davidson County Chancery Court as a venue for an individual seeking a court order to require access to records in a human rights case.

**HB 770** by Rep. McCord creates a defense to the offense of anyone who intentionally or knowingly manufactures, transports, repairs or sells a switchblade or automatic knife if the manufacture and sale of a switchblade or automatic knife is limited to military or law enforcement personnel or retail establishments or distributors selling only to those personnel. The intent of this bill is to allow business in TN from manufacturing or selling this prohibited weapon to law enforcement or military.

**HB 1677** by Rep. Shaw allows the governor to remove a commissioner who is absent more than three regularly scheduled meetings in the commission's fiscal year. This bill is an effort to maintain the efficiency of the TN Human Rights Commission by preventing absenteeism from interfering with mission of commission.

**HB 384** by Rep. Briley extends the deadline from December 31, 2004 to June 30, 2005 for the board of probation and parole to contract with a vendor for services needed to monitor offenders. Also, extends deadline from March 1, 2005 to April 1, 2005 for board to report to a joint meeting of the judiciary committee for both Senate and House of Representatives along with the joint oversight committee regarding results and implementation of the TN Serious and Violent Sex Offender Monitoring Pilot Project Act.

### House Bills rolled 1 week:

HB 887 by Rep. Todd

HB 698 by Rep. Pleasant

HB 847 by Rep. Johnson, R.

HB 1948 by Rep. Todd

### House Bills rolled 2 weeks:

HB 1358 by Rep. Gresham

HB 655 by Rep. DeBerry, L.

HB 1310 by Rep. Deberry, J

### House Bills taken off notice:

HB 1149 by Rep. Buck

HB 1150 by Rep. Buck

HB 1151 by Rep. Buck

HB 385 by Rep. Briley

HB 1349 by Rep. Briley

## **Judicial Administration Subcommittee**

On Wednesday, the Judicial Administration Subcommittee met to consider eight bills. HB 175 by Rep. Newton, which proposed abolishing TN's present law of judicial selection by instituting popular elections for supreme court justices and all appellate judges, failed for lack of second. HB 1824 by Rep. Rinks was rolled four weeks. HB 2061 by Rep. Todd was rolled one week.

The following bills were approved for passage and **referred to Full Committee:**

**HB 207** by Rep. Briley entitles a sequestered juror to \$30.00 per day for attendance. The current payment is \$10.00 per day for all jurors.

**HB 695** by Rep. Roach allows the county clerk of Jefferson County to continue to serve as clerk of court with probate jurisdiction.

**HB 1002** by Rep. Fowlkes codifies the allocation of new assistant district public defender positions as were approved by the General Assembly in 2004. jurisdiction from the county clerk.

*(continued)*



**HB 1619** by Rep. Fowlkes codifies the allocation of new assistant district attorney positions as were approved by the General Assembly in 2004.

**HB 852** by Johnson, R. designates the circuit court clerk of Loudon County as the clerk of the court with probate jurisdiction in that county and removes probate jurisdiction from the county clerk.



## State and Local Government

Lawrence Hall, Jr.

This week in **State and Local Government full committee**, **HB 668**, by Rep. Maddox, will allow a member of the general assembly to raise money during session within the member's district if the member is a candidate in a special election to fill a vacancy in the house or senate. This bill was passed to Calendar and Rules. **HB 45**, by Rep. Miller, was passed to Finance, Ways, and Means. This bill creates a six-member oversight committee to review and evaluate diversity

in state contracting and procurement. **HB 1583**, by Rep. McMillan, was passed to Finance, Ways, and Means. This bill increases the income level for property tax relief for the elderly to \$14,000 in 2006. **HB 1584**, by Rep. McMillan was also passed to Finance, Ways, and Means. This bill increases the value of disabled veterans homes for property tax relief purposes from \$140,000 to \$150,000. **HB 482**, by Rep. Overbey, was passed to Finance, Ways, and Means. (cont.)

This bill allows a county to adopt a resolution to pay clerks of courts that serve multiple courts in the county a 10% increase of their base salary.

**HB 584**, by Rep. Curtiss, will allow an appropriate committee in a county to interview prospective members of county boards and commissions prior being confirmed or rejected by a county legislative body. This bill passed to Calendar and Rules. **HB 69**, by Rep. Pruitt, passed to Calendar and Rules. This bill transfers certain census blocks from Senate district 19 to Senate district 21 in order to place all of the city of Berry Hill in Senate district 21.

Majority Leader McMillan sponsored the following bills and both were passed to Calendar and Rules:

**HB 1090** - This bill, as amended, places a \$25,000 limit and a \$50,000 (primary and general elections combined) per calendar year limit on contributions made by an individual to a state political party or a caucus of that political party. Currently, there is no limit on such contributions.

**HB 1098** - as amended, limits the contributions that an individual may make to a political campaign committee and multicandidate campaign committee to \$5,000, but to only \$10,000 per calendar year if contributions are made in the primary and general elections. Currently, there is no limit on such contributions.

### **State Government Subcommittee**

This week in State Government subcommittee, **HB 1**, by Majority Leader McMillan requires legislative and executive branch members and their immediate family members to disclose to the Registry of Elections Finance any contract for consulting services entered into with any entity or person doing business with the State of Tennessee. This bill was passed to full committee.

**HB 248**, by Rep. Stanley was passed to full committee. This bill, as amended, will not allow any member of the house or senate to obtain any legislative or courtesy license plates.

### **Local Government Subcommittee**

This week in Local Government Subcommittee, **HB 376**, by Rep. Mike Turner, passed to full committee. This bill dedicates property at the Tennessee Fire Service and Codes Enforcement Academy to erect a memorial to Tennessee firefighters. **HB 602**, by Rep. Curtiss, removes "combat related" from the eligibility requirement for 100% disabled veterans seeking property tax relief. This bill passed to full committee.

**HB 707**, by Rep. Sherry Jones, passed to full committee. This bill provides procedural due process rights to police officers prior to the rendering of a final action. **HB 708**, by Rep. Sherry Jones, provides a mechanism for police department employees to negotiate with a municipal government. This bill passed to full committee.

### **Elections Subcommittee**

This week in Elections Subcommittee, Rep. Briley sponsored two bills that passed to full committee. **HB 965** exempts Davidson County from state law governing petitions for recall elections and **HB 910** requires a referendum vote prior to the extension of any terms of office for elected public officials.



# Transportation

Rachel Thomas

## Full Committee

The **House Transportation Committee** convened on March 8, 2005, to consider ten bills. Action on **HB 30** (McDonald), **HB 104** (McDonald), **HB 419** (Matheny), and **HB 1242** (Godsey) was deferred for one week.

The following bills were passed by the committee and will be considered by the House Finance, Ways, and Means Committee:

**HB 448** (Todd)—Financial responsibility law increasing the penalty for failing to provide motor vehicle financial responsibility information.

**HB 505** (McKee)—As amended, “Clyde Webb Highway” sign on State Route 305 will be paid for by state funds.

**HB 1006** (Fowlkes)—Creates a Class C misdemeanor for “careless driving” which is defined as driving a motor vehicle in a manner that is not careful or prudent given all of the attendant circumstances.

**HB 1316** (Fowlkes)—“Marshall County Veterans Parkway” in Marshall County.

**HB 1612** (Borchert)—Directional signs for Tennessee’s Kentucky Lake Recreational Area and Scenic Tennessee River on I-40 in Benton and Humphreys Counties.

Representative Pleasant’s **HB 658** was voted to the Calendar and Rules Committee. It clarifies that drivers should stop at a flashing red light and yield at a flashing yellow light.

## Public Safety & Rural Roads Subcommittee

The **Public Safety & Rural Roads Subcommittee** met March 8, 2005, to consider seven bills. Action was deferred on Representative Winningham’s **HB**

**747** and **HB 2171** for one week. **HB 118** (Harmon) was deferred for two weeks. **HB 302** and **HB 304**, both by Representative Kernell, were taken off notice.

The following bills were referred to the full Transportation Committee:

**HB 364** (Newton)—Exempts disabled veterans from paying a renewal fee for the renewal of permanent placards.

**HB 671** (Maddox)—Allows a person to apply for a restricted driver’s license (to work or school) if their license has been suspended due to the failure to pay a driving fine.

## Public Transportation & Highways Subcommittee

The **Public Transportation & Highways Subcommittee** met on March 8, 2005, to consider sixteen bills. Action was deferred for two weeks on **HB 1978** (Winningham). Representative M. Turner’s **HB 169** was amended, and then deferred for three weeks. **HB 1129** (McDaniel) and **HB 245** (DuBois) were both taken off notice. The following bills were passed to the full Transportation Committee:

Highway Sign Bills:

**HB 377** (Cobb)—“PFC Daniel Bradley McClenney Memorial Bridge” in Bedford County

**HB 923** (Tidwell)—“Luther Lamar Bridge” in Maury County.

**HB 2140** (Tidwell)—“Donnie Harold Qualls Memorial Bridge” on US Highway 412.

**HB 1930** (Hackworth)—“Dr. Herman Postma Memorial Solway Bridge” on Clinch River between Knox and Anderson counties.

**HB 560** (Bunch)—“Coach John Peterson Underpass” in the City of Cleveland.

## **Transportation, continued**

License Plate Bills:

**HB 1821** (Rinks)—As amended, authorizes issuance of Small Mouth Bass plate.

**HB 1624** (Casada)—Fellowship of Christian Athletes plate.

**HB 201** (Eldridge)—Nature Conservancy plate.

**HB 1872** (McCord)—Tennessee Wildlife Federation plate.

**HB 1823**, by Representative Rinks, was passed to full committee. This bill increases the amount of purchases from \$5,000 to \$10,000 that must be competitively bid on under the County Uniform Highway law. Representative Tindell's **HB 1937** exempts buildings from height restrictions on certain scenic highways in Knox County. This bill was also passed to the full Transportation Committee. Finally, the committee amended **HB 927**, by Representative Tidwell, such that it increases the penalty for construction of illegal entrances onto public highways.

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## **The Budget Hearings**

### **Remaining Schedule**

**Today, March 10 - TennCare; DHS**

**Tuesday March 15—Commission on Aging**

**Wednesday, March 16—Mental Health; Mental Retardation**

**Thursday, March 17—Transportation; Department of Revenue**

# Summaries of Budget Hearings

## Board of Probation and Parole

Lawrence Hall, Jr.

On February 8, 2005, the Board of Probation and Parole presented the Board's 2005-2006 budget request to the House Finance, Ways and Means committee. Executive Director Charles Traughber stated that the board has seven members appointed by the Governor to serve six year terms. Probation and Parole has 957 positions where they manage the release and supervision of adult felons. There are 48,418 offenders supervised by the board. The cost per day to supervise offenders through the Board of Probation and Parole is \$2.50 per day and \$4.02 through the Community Corrections program.

The total requested budget for 2005-2006 for the Board of Probation and Parole is \$61,810,700. The Board's budget is divided into two categories: (1) Probation and Parole Services and (2) Community Corrections. The base for Probation and Parole Services is \$50,773,700 and \$1,795,000 in improvements making a total request of \$52,568,700. The base and total budget request for Community Corrections is \$9,242,000. The total requested for Community Correction includes \$429,000 for a pilot project that was created during a special session in 1985. This pilot project will provide six positions in counties to help get people out of jails. These two categories together (Probation and Parole Services and Community Correction) equal a base budget request for the entire board of \$60,015,700 with \$1,795,000 in improvements and a total request of \$61,810,700. Of the total improvements requested (\$1,795,000), about 31% will be paid by fees collected from defendants. The improvements requested in this budget are in the area of Probation and Parole Services. These improvements include GPS Sex Offender Tracking, Sex Offender Registration, Electronic Monitoring, and Kiosk Reporting System.

### Improvements:

GPS Sex Offender Tracking	\$1,235,000
Sex Offender Registration	\$ 60,000
Electronic Monitoring	\$ 200,000
Kiosk Reporting System	\$ 300,000
Total Improvements	\$1,795,000

Community Corrections collected in the last fiscal year \$695,000 in fees. There was also about \$21,000,000 earned in wages by individuals under supervision. Child support payments totaled about \$413,000. Restitution to victims was made in the amount of about \$344,000 and about \$1,258,000 was paid in fines and court costs to local judges.

Chairman Traughber stated that if budget reductions had to be made, the Board would continue to move forward with technology improvements because it allows officers more time to work with high risk offenders.

## Department of Tourist Development

Rachel Thomas

Commissioner Susan Whitaker presented the Department of Tourist Development's budget to the House Finance, Ways, and Means Committee on March 2, 2005. The department is responsible for implementing marketing programs that increase the economic impact of tourism in Tennessee. Currently, Tennessee is the twelfth most visited state in the nation, but its tourism department ranks twenty-first in the amount of funding it receives.

The Commissioner expounded upon the two major ways that her department promotes tourism in target markets: news bureaus (travel magazines, newspaper and internet articles and advertisements) and press tours. One recent advertisement campaign featuring Dolly Parton and Isaac Hayes returned \$16.90 for every dollar spent.

The Department of Tourist Development's proposed Administration and Marketing budget for FY 2005-06 is \$13,655,700. This includes \$4,500,000 in improvements to "power launch" an advertising campaign in fourteen target markets. The department's proposed budget for Tennessee's thirteen welcome centers is \$4,848,200. This figure includes no improvements. The department's total recommended budget is \$18,503,900 (\$11,645,700 state monies and \$6,858,200 federal monies).

Department of Tourist Development Budget FY 2005-06 (in dollars)

Department	Base	Improvements	Total
<i>Administration and Marketing</i>	<b>9,155,700</b> (State: 7,145,700 Federal: 2,010,000)	4,500,000	13,655,700
<i>Welcome Centers</i>	<b>4,848,200</b> (Other: 4,848,200)	0	4,848,200
<i>Department Totals</i>	<b>14,003,900</b> (State: 7,145,700 Other: 6,858,200)	4,500,000	<b>18,503,900</b> (State: 11,645,700 Other: 6,858,200)

# Department of Health

Judy Narramore

On March 3, 2005, Dr. Kenneth Robinson, Commissioner of the Department of Health, presented the Department's recommended FY 2005-06 budget to the House Finance, Ways and Means Committee. The Department's **proposed budget totals \$493,054,500**, which includes **\$111,712,600 or 23 percent in state appropriations**, \$264,249,700 or 54 percent in federal revenue, and \$117,092,200 or 23 percent in "other" funding. The Department currently has 3,120 positions.

Dr. Robinson noted that of the almost half billion dollar budget, the Department is requesting only **\$590,700 in improvement funds** for FY 2005-06, including seven new positions. Improvements will be funded with \$161,800 from the state's general fund, with the remaining \$428,900 from dedicated state appropriations, current services revenue, and interdepartmental revenue sources. The general fund improvement dollars will be utilized to reimburse county governments for autopsy costs incurred in cases of sudden unexplained deaths in children up to age 18 years. A county government could be reimbursed \$1250 for such autopsy.

Eighty-nine percent (89%) of the Department's budget is dedicated to service oriented programs and service delivery, including county health departments. Dr. Robinson and Assistant Commissioner Theresa Lindsey described the array of services available at all 95 local health departments across the state. Currently, only nine health departments provide full scale primary care services; however, building infrastructure of local health departments to provide primary care services in more counties is one strategic response to the TennCare safety net issue.

Commenting on the Department's "*Better Health: It's About Time*" initiative that was announced by Governor Bredesen in 2004, Dr. Robinson noted the six major disease areas that are being targeted through this statewide campaign. These include obesity and overweight, cardiovascular disease, diabetes, infant mortality, adolescent pregnancy, and access to appropriate and early prenatal care. Dr. Robinson stressed that targeting these six areas will allow the Department of Health to move public health priorities and help get Tennessee off the bottom of some morbidity and mortality lists.

# State Board of Education

Pam Mason

Dr. Gary Nixon, Executive Director of the State Board of Education, presented the Board's 2005-2006 Budget to the House Finance, Ways and Means Committee on February 23. Primary responsibilities of the State Board include revising and updating the state Master Plan and establishing policies, standards and guidelines for K-12 public education.

The State Board of Education Budget follows.

Payroll	\$574,900 (7 full-time employees)
Operational	<u>168,600</u>
TOTAL	\$743,500

## Department of Education, K-12

Pam Mason

The Department of Education's 2005-2006 Budget was presented to the House Finance, Ways and Means Committee on February 23 by Commissioner Lana Severs with Assistant Commissioner Tim Webb and Deputy Commissioner Keith Brewer assisting. The Department's budget runs over 4 billion dollars. Of that amount 3.1 billion is state money, slightly over 853 million is federal dollars, and 42 million is from other sources. Local school systems receive 97 percent of this money.

\$30.6 million goes towards operating three state-sponsored schools to provide academic, vocational and special instruction for educational opportunities in residential settings for legally blind, deaf and multi-disabled children who are under 21 years of age.

In an ongoing effort to retain all possible federal dollars, the department reverted back only \$256,731 in December 2004. This continues a reduction of lost federal dollars begun in 2002.

The 2005-2006 Budget contains \$194,176,700 in improvements. Some of these dollars include the following.

86.8 million	To Fully Fund the Basic Education Program
11 million	For At Risk Programs
5 million	Professional Development
500,000	Teach Tennessee
41.4 million	1 % salary raise and 1% bonus
4 million	Supplemental Programs
25 million	Universal, voluntary PreK
20.2 million	Group Health Insurance (State Share for LEAs)

The Department's proposed budget total is:

Base 2005-2006	\$3,847,113,000
Improvement 2005-2006	194,176,700
Recommended 2005-2006	4,041,289,700



# **Tennessee Housing Development Agency**

Kristina Ryan

The Tennessee Housing Development Agency presented its 2005-2006 budget to the House Finance, Ways and Means Committee on February 10, 2005. Executive Director Janice Myrick and Deputy Executive Director/Chief Financial Officer Ted Fellman represented the agency.

The mission of the Tennessee Housing Development Agency is to provide opportunities for low to moderate income Tennesseans decent and affordable housing. The agency was created over thirty years ago in response to a demand for housing in rural areas, but it also provides services to urban areas. THDA administers a variety of housing programs, such as the Low Income Housing Tax Credit Program, which encourages the rehab of older buildings or construction of new buildings for rental units for low income citizens. In addition, THDA works in conjunction with the U.S. Department of Housing and Urban Development with the Section 8 program, which allows THDA to provide rental subsidies to assist low-income renters. One of the prime services that THDA provides is the selling of tax-exempt revenue notes and bonds to provide funds for making below-market interest rate mortgage loans.

The Tennessee Housing Development Agency has projected an overall budget for fiscal year 2005-2006 to be **\$266,339,000**. THDA does not receive any state funds. All funding for THDA is derived from either federal dollars or from allotments from self-supported programs. In addition, THDA also receives income from bond revenue.

## **Improvements:**

The Tennessee Housing Development Agency has not requested any state funding in their proposed budget. However, the agency has requested 10 additional full-time positions for an improvement total of \$517,400. This amount will be funded out of federal dollars.

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The *Research Review* will continue to include summaries of budget hearings until all have been covered.

